

VZCZCXYZ0001  
RR RUEHWEB

DE RUEHIN #2338/01 2890730  
ZNR UUUUU ZZH  
R 160730Z OCT 07  
FM AIT TAIPEI  
TO RUEHC/SECSTATE WASHDC 7147  
INFO RUEHBJ/AMEMBASSY BEIJING 7358  
RUEHHK/AMCONSUL HONG KONG 8639

UNCLAS AIT TAIPEI 002338

SIPDIS

SIPDIS

DEPARTMENT FOR INR/R/MR, EAP/TC, EAP/PA, EAP/PD - NIDA EMMONS  
DEPARTMENT PASS AIT/WASHINGTON

E.O. 12958: N/A

TAGS: [OPRC](#) [KMDR](#) [KPAO](#) [TW](#)

SUBJECT: MEDIA REACTION: CHINESE COMMUNIST PARTY CONGRESS,  
CONGRESSIONAL MEDAL TO DALAI LAMA

Summary: News coverage of Taiwan's major Chinese-language dailies focused on a variety of local issues over the weekend. Among the stories were reports on the former Taiwan National Security Bureau agent Isabelle Cheng, who allegedly had an affair with former U.S. State Department official Donald Keyser. Keyser was convicted for unauthorized possession of classified documents. Cheng told the press the Keyser case was made up by the Taiwan and U.S. media. In editorials and commentaries, the pro-independence "Liberty Times" and the conservative, pro-unification, English-language "China Post" discussed the upcoming 17th Chinese Communist Party Congress. Meanwhile, the pro-independence, English-language "Taipei Times" commented on Beijing's reaction to the Congressional medal to Dalai Lama. End summary.

A) "The 17th Chinese Communist Party Congress Will Still Be Power Struggle Stage for Dictators"

The pro-independence "Liberty Times" [circulation: 720,000] editorialized (10/15):

"... This time the 17th Chinese Communist Party Congress will be held in the context that China has risen up to become a huge world economic power. But the many problems brought about by rapid economic development, such as environmental degradation, corruption, human rights violations ... need to be resolved. Otherwise, if any conflict or antagonism breaks out, it is not improbable that China might collapse overnight. However, the congress put its emphasis on the high-ranking party reshuffle. That is, to treat the party congress as a stage for power struggle, while failing to come up with any effective solutions to the serious existential crises facing China.

"As a result, the party congress will not be able to reach a satisfactory conclusion either power-wise or policy-wise. It will lose in both aspects...."

B) "A Watershed Congress"

The conservative, pro-unification, English-language "China Post" [circulation: 30,000] editorialized (10/13):

"The Chinese Communist Party will hold its 17th party congress next week in Beijing to chart the future course of China's development in the next five years. In a sense, the meeting of the CCP's 17th Central Committee can be viewed as a watershed congress as the country is entering a new era of development that faces new challenges in economic, political, and social areas.

"Twenty-nine years after the reform and opening-up initiated by Deng Xiaoping in 1978, mainland China's economy is at a crossroads: whether to keep pursuing a 'GDP'ism' that has resulted in a tenfold increase in gross domestic product at the expense of the

environment. The economic prosperity brought about by the explosive, double-digit GDP growth has also produced the problem of an uneven distribution of wealth, creating widespread discontent among the poor and disadvantaged.

"... In the area of politics, the paramount issue is political reform, which has been too slow and too little. The opening-up should include relaxation of control on the press, religion and human rights. It is apparent that mainland China's political reform has lagged far behind its economic progress. The key to the reform is political democratization, administrative transparency, and judicial independence.

"... Will the issue of Taiwan come up? Surely, especially when President Chen Shui-bian is heightening his separatist activities by trying to change the country's official name, a move regarded by Beijing, and Washington as well, as a step toward de jure independence that Beijing has threatened to use force to prevent. The congress won't sit idly by on the issue...."

#### C) "A Cautious Beijing, Despite the Slap"

The pro-independence, English-language "Taipei Times" [circulation: 30,000] editorialized (10/14):

"Last week, Beijing lashed out over the U.S. Congressional Gold Medal awarded to exiled Tibetan spiritual leader the Dalai Lama, calling the award 'interference in China's internal affairs.'

"... With China so focused on preparing for the Olympic Games next year, these public condemnations are insufficient, in and of themselves, to make it change its ways overnight. But they are nevertheless construed by Beijing as a collective slap in the face.

"... Some have argued that China's reaction to recent criticism and to the award given the Dalai Lama has been surprisingly mild -- a CONGRESSIONAL MEDAL TO DALAI LAMA

result, perhaps, of the coming Olympics, which forces it to moderate its response to such sensitive issues, slap notwithstanding."

Congress has voiced much more disapproval of Beijing on human rights issues than any other branch of the U.S. government, which has often put Congress at odds with the US Department of State. Congress is also a better, more intimate reflection of the popular will of Americans, which makes its views something Beijing cannot afford to ignore.

"What makes the situation even more awkward for Beijing is that U.S. President George W. Bush will attend the award ceremony on Wednesday, marking Bush's first-ever public meeting with the Dalai Lama.

"... With China so focused on preparing for the Olympic Games next year, these public condemnations are insufficient, in and of themselves, to make it change its ways overnight. But they are nevertheless construed by Beijing as a collective slap in the face.

"Some have argued that China's reaction to recent criticism and to the award given the Dalai Lama has been surprisingly mild -- a result, perhaps, of the coming Olympics, which forces it to moderate its response to such sensitive issues, slap notwithstanding."

WANG